

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name Charter Township of Oakland	County Oakland
Audit Date 3/31/04	Opinion Date 6/3/04	Date Accountant Report Submitted to State: 7/29/04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- | | |
|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95). |

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) BDO Seidman, LLP			
Street Address 755 West Big Beaver Road, Suite 1900		City Troy	State MI
Accountant Signature <i>Mark Tschirhart</i> (MARK TSCHIRHART)		ZIP 48084	Date 7/29/04



Charter Township of Oakland

Financial Statements
Year Ended March 31, 2004

Charter Township of Oakland

Contents

Independent Auditors' Report	4
General Purpose Financial Statements	
Combined Balance Sheet - All Fund Types and Account Groups	5-6
Combined Statement of Revenues, Expenditures and Changes in Fund Balances	
- All Governmental Fund Types	7
Combined Statement of Revenues, Expenditures and Changes in Fund Balances	
- Actual and Budget - General and Special Revenue Funds	8
Statements of Revenues, Expenses and Changes in Retained Earnings	
- Proprietary Fund Type - Enterprise Fund - Sewer Fund	9
Statements of Cash Flows - Proprietary Fund Type - Enterprise Fund - Sewer Fund	10
Notes to Financial Statements	11-28
Supplemental Material	
Combining and Individual Fund Statements	
Combining Balance Sheet - Special Revenue Funds	30
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
- Special Revenue Funds	31
Combining Balance Sheet - Debt Service Funds	32
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
- Debt Service Funds	33
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
- Actual and Budget - Component Units	34
Balance Sheet - Proprietary Fund Type - Enterprise Fund - Sewer Fund	35
Combining Balance Sheet - Agency Funds	36
Combining Statement of Changes in Assets and Liabilities - Agency Funds	37-39

Charter Township of Oakland

Contents

Statements of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget	
Historic Preservation Fund	40
Older Persons' Commission Fund	41
Fire Fund	42
Police Fund	43
Building Fund	44-45
 Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards	 46
 General Fund	
Analysis of Revenues	47
Analysis of Expenditures	48-51
 Tax Collection Fund - Analysis of Taxes Spread and Collected	 52



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Independent Auditors' Report

Township Board
Charter Township of Oakland

We have audited the accompanying general purpose financial statements of the Charter Township of Oakland as of March 31, 2004, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Charter Township of Oakland as of March 31, 2004, and the results of its operations and its cash flows of the proprietary fund type for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements, and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Charter Township of Oakland. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued our report dated June 3, 2004 on our consideration of the Charter Township of Oakland's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. This report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

BDO Seidman, LLP

June 3, 2004

Assets and Other Debits	<i>Governmental Fund Types</i>				<i>Proprietary Fund Type</i>	<i>Fiduciary Fund Type</i>
	<i>General</i>	<i>Special Revenue</i>	<i>Capital Projects</i>	<i>Debt Service</i>	<i>Enterprise- Sewer</i>	<i>Agency</i>
Assets						
Cash and cash equivalents	\$ 2,704,780	\$ 2,581,797	\$ 29,938	\$ 42,789	\$ 3,572,411	\$ 229
Investments	2,561,350	1,754,809	-	-	4,151,583	-
Receivables						
Delinquent taxes receivable	41,604	152,417	-	-	3,426	-
Tap-in fees	-	-	-	-	1,645	-
Special assessments	12,422	-	-	-	-	-
Due from primary government funds	61,881	-	-	-	-	-
Due from component units	-	225	-	-	-	-
Funds held by County	-	-	-	-	100,385	-
Property and equipment	-	-	-	-	-	-
Utility plant	-	-	-	-	1,835,277	-
Accumulated depreciation	-	-	-	-	(670,380)	-
Due from Trailway Commission	-	-	-	-	-	-
Other Debits						
Amount available in debt service fund	-	-	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-
Total Assets and Other Debits	\$ 5,382,037	\$ 4,489,248	\$ 29,938	\$ 42,789	\$ 8,994,347	\$ 229

Charter Township of Oakland

Combined Balance Sheet - All Fund Types and Account Groups March 31, 2004

<i>Account Groups</i>		<i>Totals (Memorandum Only) Primary Government</i>	<i>Component Units</i>	<i>Totals (Memorandum Only) Reporting Entity</i>	
<i>General Fixed Assets</i>	<i>General Long-Term Debt</i>			<i>2004</i>	<i>2003</i>
\$ -	\$ -	\$ 8,931,944	\$ 2,369,584	\$ 11,301,528	\$ 8,342,092
-	-	8,467,742	-	8,467,742	9,320,352
-	-	197,447	90,234	287,681	236,956
-	-	1,645	-	1,645	1,948
-	-	12,422	-	12,422	4,109
-	-	61,881	-	61,881	54,847
-	-	225	-	225	225
-	-	100,385	-	100,385	98,440
19,932,909	-	19,932,909	-	19,932,909	14,808,565
-	-	1,835,277	-	1,835,277	1,835,277
-	-	(670,380)	-	(670,380)	(629,136)
-	-	-	9,219	9,219	9,219
-	42,789	42,789	-	42,789	30,080
-	9,407,211	9,407,211	-	9,407,211	7,814,920
\$ 19,932,909	\$ 9,450,000	\$ 48,321,497	\$ 2,469,037	\$ 50,790,534	\$ 41,927,894

See accompanying notes to financial statements.

Liabilities, Equity and Other Credits	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type
	General	Special Revenue	Capital Projects	Debt Service	Enterprise- Sewer	Agency
Liabilities						
Accounts payable	\$ 90,606	\$ 206,705	\$ -	\$ -	\$ 36,933	\$ -
Accrued vacation	12,837	34,619	-	-	-	-
Accrued wages	22,877	19,565	-	-	-	-
Performance bonds and deposits payable	32,945	251,300	-	-	-	-
Deferred revenue	177,650	-	-	-	3,521,500	-
Due to General Fund	-	49,235	-	-	-	149
Due to other primary government funds	-	-	-	-	-	-
Due to component units	-	-	-	-	-	-
Due to Older Persons' Commission	-	68,020	-	-	-	-
Due to other taxing units	-	-	-	-	161,582	-
Accrued retirement	-	-	-	-	-	80
Long-term debt	-	-	-	-	-	-
Deferred special assessment revenue	-	-	-	-	-	-
Total Liabilities	336,915	629,444	-	-	3,720,015	229
Equity and Other Credits						
Investment in general fixed assets	-	-	-	-	-	-
Contributed capital	-	-	-	-	1,364,242	-
Retained Earnings	-	-	-	-	-	-
Reserved for sewer extensions	-	-	-	-	122,406	-
Unreserved	-	-	-	-	3,787,684	-
Fund Balances						
Reserved						
Contractual obligations	-	-	29,938	-	-	-
Debt service	-	-	-	42,789	-	-
Building Department	-	1,407,338	-	-	-	-
Unreserved						
Designated	1,047,447	90,406	-	-	-	-
Undesignated	3,997,675	2,362,060	-	-	-	-
Total Equity and Other Credits	5,045,122	3,859,804	29,938	42,789	5,274,332	-
Total Liabilities, Equity and Other Credits	\$ 5,382,037	\$ 4,489,248	\$ 29,938	\$ 42,789	\$ 8,994,347	\$ 229

Charter Township of Oakland

Combined Balance Sheet - All Fund Types and Account Groups March 31, 2004

<i>Account Groups</i>		<i>Totals (Memorandum Only) Primary Government</i>	<i>Component Units</i>	<i>Totals (Memorandum Only) Reporting Entity</i>	
<i>General Fixed Assets</i>	<i>General Long-Term Debt</i>			<i>2004</i>	<i>2003</i>
\$ -	\$ -	\$ 334,244	\$ 8,135	\$ 342,379	\$ 216,321
-	-	47,456	7,858	55,314	46,970
-	-	42,442	4,172	46,614	35,216
-	-	284,245	-	284,245	411,145
-	-	3,699,150	-	3,699,150	3,119,268
-	-	49,384	12,497	61,881	54,397
-	-	-	225	225	225
-	-	-	-	-	450
-	-	68,020	-	68,020	65,110
-	-	161,582	-	161,582	160,543
-	-	80	-	80	80
-	9,450,000	9,450,000	-	9,450,000	7,845,000
-	-	-	-	-	3,535
-	9,450,000	14,136,603	32,887	14,169,490	11,958,260
19,932,909	-	19,932,909	-	19,932,909	14,808,565
-	-	1,364,242	-	1,364,242	1,364,242
-	-	122,406	-	122,406	122,406
-	-	3,787,684	-	3,787,684	3,150,559
-	-	29,938	-	29,938	227,571
-	-	42,789	-	42,789	30,080
-	-	1,407,338	-	1,407,338	1,242,409
-	-	1,137,853	788,193	1,926,046	1,671,682
-	-	6,359,735	1,647,957	8,007,692	7,352,120
19,932,909	-	34,184,894	2,436,150	36,621,044	29,969,634
\$ 19,932,909	\$ 9,450,000	\$ 48,321,497	\$ 2,469,037	\$ 50,790,534	\$ 41,927,894

See accompanying notes to financial statements.

	<i>General</i>	<i>Special Revenue</i>	<i>Capital Projects</i>	<i>Debt Service</i>
Revenues				
Tax revenues	\$ 874,330	\$ 3,196,208	\$ -	\$ -
Intergovernmental revenues	968,535	-	-	-
Charges for services	419,343	1,175,492	-	-
Other revenues	176,027	78,109	1,463	295
Total Revenues	2,438,235	4,449,809	1,463	295
Expenditures				
Current				
Legislative	174,129	-	-	-
General government	784,567	93,223	-	-
Planning	198,495	-	-	-
Public works	175,660	-	-	-
Culture and recreation	-	227,533	-	-
Preservation	-	28,955	-	-
Health and welfare	76,575	-	-	-
Police services	-	1,582,206	-	-
Fire services	-	471,773	-	-
Building department	-	573,022	-	-
Other functions	160,137	431,278	-	-
Capital outlay	49,111	44,745	199,096	-
Debt service	-	-	-	741,056
Total Expenditures	1,618,674	3,452,735	199,096	741,056
Excess of Revenues Over (Under) Expenditures	819,561	997,074	(197,633)	(740,761)
Other Financing Sources (Uses)				
Operating transfers in	-	-	-	753,470
Operating transfers out	-	(545,124)	-	-
Proceeds from issuance of debt	-	-	-	-
Total Other Financing Sources (Uses)	-	(545,124)	-	753,470
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	819,561	451,950	(197,633)	12,709
Fund Balances, April 1	4,225,561	3,407,854	227,571	30,080
Fund Balances, March 31	\$ 5,045,122	\$ 3,859,804	\$ 29,938	\$ 42,789

Charter Township of Oakland

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types

Year Ended March 31, 2004

<i>Totals</i> <i>(Memorandum Only)</i> <i>Primary Government</i>	<i>Component</i> <i>Units</i>	<i>Totals</i> <i>(Memorandum Only) Reporting Entity</i> <i>2004</i>	<i>2003</i>
\$ 4,070,538	\$ 1,892,232	\$ 5,962,770	\$ 5,396,017
968,535	1,737,295	2,705,830	1,032,188
1,594,835	-	1,594,835	2,186,315
255,894	93,600	349,494	279,699
6,889,802	3,723,127	10,612,929	8,894,219
174,129	-	174,129	188,234
877,790	50,287	928,077	726,442
198,495	-	198,495	112,740
175,660	-	175,660	179,432
227,533	5,637,323	5,864,856	1,320,140
28,955	-	28,955	56,790
76,575	-	76,575	55,284
1,582,206	-	1,582,206	1,402,618
471,773	-	471,773	580,970
573,022	-	573,022	650,080
591,415	-	591,415	469,071
292,952	23,817	316,769	459,532
741,056	-	741,056	706,480
6,011,561	5,711,427	11,722,988	6,907,813
878,241	(1,988,300)	(1,110,059)	1,986,406
753,470	-	753,470	706,480
(545,124)	(208,346)	(753,470)	(706,480)
-	2,000,000	2,000,000	-
208,346	1,791,654	2,000,000	-
1,086,587	(196,646)	889,941	1,986,406
7,891,066	2,632,796	10,523,862	8,537,456
\$ 8,977,653	\$ 2,436,150	\$ 11,413,803	\$ 10,523,862

See accompanying notes to financial statements.

	<i>General Fund</i>		<i>Variance - Favorable (Unfavorable)</i>
	<i>Actual</i>	<i>Budget</i>	
Revenues			
Tax revenues	\$ 874,330	\$ 838,000	\$ 36,330
Intergovernmental revenues	968,535	960,000	8,535
Charges for services	419,343	219,800	199,543
Other revenues	176,027	192,300	(16,273)
Total Revenues	2,438,235	2,210,100	228,135
Expenditures			
Current			
Legislative	174,129	200,000	25,871
General government	784,567	953,800	169,233
Planning	198,495	189,400	(9,095)
Public works	175,660	451,700	276,040
Culture and recreation	-	-	-
Preservation	-	-	-
Health and welfare	76,575	100,000	23,425
Police services	-	-	-
Fire services	-	-	-
Building department	-	-	-
Other functions	160,137	213,200	53,063
Capital outlay	49,111	102,000	52,889
Total Expenditures	1,618,674	2,210,100	591,426
Excess of Revenues Over Expenditures	819,561	-	819,561
Other Financing Uses			
Operating transfers out	-	-	-
Total Other Financing Uses	-	-	-
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	819,561	-	819,561
Fund Balances, April 1	4,225,561	4,225,561	-
Fund Balances, March 31	\$ 5,045,122	\$ 4,225,561	\$ 819,561

Charter Township of Oakland

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Actual and Budget - General and Special Revenue Funds Year Ended March 31, 2004

Special Revenue Funds			Totals (Memorandum Only)		
Actual	Budget	Variance - Favorable (Unfavorable)	Actual	Budget	Variance - Favorable (Unfavorable)
\$ 3,196,208	\$ 3,129,693	\$ 66,515	\$ 4,070,538	\$ 3,967,693	\$ 102,845
-	-	-	968,535	960,000	8,535
1,175,492	1,198,500	(23,008)	1,594,835	1,418,300	176,535
78,109	55,000	23,109	254,136	247,300	6,836
4,449,809	4,383,193	66,616	6,888,044	6,593,293	294,751
-	-	-	174,129	200,000	25,871
93,223	94,600	1,377	877,790	1,048,400	170,610
-	-	-	198,495	189,400	(9,095)
-	-	-	175,660	451,700	276,040
227,533	232,518	4,985	227,533	232,518	4,985
28,955	90,800	61,845	28,955	90,800	61,845
-	-	-	76,575	100,000	23,425
1,582,206	1,694,600	112,394	1,582,206	1,694,600	112,394
471,773	475,800	4,027	471,773	475,800	4,027
573,022	692,600	119,578	573,022	692,600	119,578
431,278	435,400	4,122	591,415	648,600	57,185
44,745	124,000	79,255	93,856	226,000	132,144
3,452,735	3,840,318	387,583	5,071,409	6,050,418	979,009
997,074	542,875	454,199	1,816,635	542,875	1,273,760
(545,124)	(542,875)	(2,249)	(545,124)	(542,875)	(2,249)
(545,124)	(542,875)	(2,249)	(545,124)	(542,875)	(2,249)
451,950	-	451,950	1,271,511	-	1,271,511
3,407,854	3,407,854	-	7,633,415	7,633,415	-
\$ 3,859,804	\$ 3,407,854	\$ 451,950	\$ 8,904,926	\$ 7,633,415	\$ 1,271,511

See accompanying notes to financial statements.

Charter Township of Oakland

Statements of Revenues, Expenses and Changes in Retained Earnings - Proprietary Fund Type - Enterprise Fund - Sewer Fund

<i>Year Ended March 31,</i>	2004	2003
Operating Revenues		
Special assessments	\$ 3,218	\$ 259
Sewer capital and lateral benefit charges	564,441	1,128,811
Sewer inspection fee and license	16,536	32,806
Miscellaneous	25	-
Total Operating Revenues	584,220	1,161,876
Operating Expenses		
Depreciation	41,244	41,245
Audit fees	1,150	2,000
Consulting fees	10,330	8,746
Engineering fees	1,265	4,600
Legal fees	1,229	2,081
Contractual obligation	-	55,484
Miscellaneous	6,364	19,847
Total Operating Expenses	61,582	134,003
Operating Income	522,638	1,027,873
Non-Operating Revenues (Expenses)		
Interest revenue	115,451	71,763
Interest expense	(964)	(5,802)
Total Non-Operating Revenue - Net	114,487	65,961
Net Income	637,125	1,093,834
Retained Earnings, April 1	3,272,965	2,179,131
Retained Earnings, March 31	\$ 3,910,090	\$ 3,272,965

See accompanying notes to financial statements.

Charter Township of Oakland

Statements of Cash Flows Proprietary Fund Type - Enterprise Fund - Sewer Fund

<i>Year Ended March 31,</i>	2004	2003
Cash Flows From Operating Activities		
Operating income	\$ 522,638	\$ 1,027,873
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	41,244	41,245
(Increase) decrease in taxes receivable	(3,217)	239
Decrease in accounts receivable	303	363
Decrease in due from other primary government funds	-	66
Increase (decrease) in accounts payable	34,019	(9,376)
Increase in due to other taxing units	1,039	1,913
Increase in deferred revenue	565,500	1,132,000
Net Cash Provided By Operating Activities	1,161,526	2,194,323
Cash Flows From Investing Activities		
Receipt of interest	115,451	71,763
Purchases of investments	(5,496,023)	(6,767,212)
Proceeds from sale of investments	5,411,141	5,004,586
Net Cash Provided By (Used In) Investing Activities	30,569	(1,690,863)
Cash Flows From Capital and Related Financing Activities		
Increase in funds held by County	(1,945)	(1,525)
Interest and fiscal charges paid	(964)	(5,802)
Net Cash Used In Capital and Related Financing Activities	(2,909)	(7,327)
Net Increase In Cash and Cash Equivalents	1,189,186	496,133
Cash and Cash Equivalents, April 1	2,383,225	1,887,092
Cash and Cash Equivalents, March 31	\$ 3,572,411	\$ 2,383,225

See accompanying notes to financial statements.

Charter Township of Oakland

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Description of the Township and the Reporting Entity

The Charter Township of Oakland (the Township) was organized in 1837 under the Constitution of the State of Michigan and elected Charter status on August 30, 1988, under the provisions of Act 359, P.A. 1947, as amended (Charter Township Act). The governing body of Oakland Township is composed of a supervisor, clerk, treasurer and four trustees who are elected for four year terms. The Township provides the following services to its residents: police, fire, highways and streets, sanitation, planning and zoning, culture-recreation, public improvements, community programs and general administrative services. As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity includes those of the Township (the primary government) and its component units. The component units discussed below are included in the Township's reporting entity because of the significance of their operational or financial relationships with the Township.

Component Unit

The financial statements of the Township's component units have been included in the financial reporting entity as both blended and discretely presented component units.

Blended Component Units

The Oakland Township Building Authority, an entity legally separate from the Township, is governed by a three-member board appointed by the Township's Board of Trustees. Because its purpose is primarily to provide certain facilities necessary for the operation of the Township's government, the Building Authority is reported as if it were part of the Township's operations.

Discretely Presented Component Units

The component unit column in the combined financial statements includes the financial data of the Township's discretely presented component units. They are reported separately to emphasize that they are legally separate from the Township. The Oakland Township Park Commission is governed by a seven member board and the Library Board is governed by a six member board. Both boards are elected by the citizens of the Township. The Park Commission's primary purpose is the acquisition and maintenance of park land. The purpose of the Library Board is to make library services available to the citizens of the Township. The activities of both the Park Commission ("Park System") and the Library Board ("Library") are included in the Township's financial statements as the primary government is financially accountable for those component units.

Charter Township of Oakland

Notes to Financial Statements

Basis of Presentation

The financial activities of the Township of Oakland are recorded in separate funds and account groups categorized and described as follows:

Governmental Funds

General Fund - This fund is used to account for all financial transactions except those required to be accounted for in another fund. The fund includes the general operating expenditures of the Township. Revenues are derived primarily from property taxes, state distributions, grants, other intergovernmental revenues, and charges for services.

Special Revenue Funds - These funds are used to account for specific governmental revenues (other than special assessments and major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Capital Projects Fund - This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the operation of an enterprise fund).

Debt Service Funds - The debt service funds are used to account for the accumulation of resources for the payment of general long-term debt principal, interest and related costs.

Proprietary Fund

Enterprise Fund (Sewer Fund) - Enterprise funds report operations that provide services which are financed primarily by user charges, or activities where periodic measurement of net income is appropriate for capital maintenance, public policy, management control or other purposes.

Fiduciary Funds

Agency Funds - These funds, used to account for assets held in trust or as an agent for others, include the Trust and Agency Fund and the Tax Collection Fund.

Charter Township of Oakland

Notes to Financial Statements

Account Groups

General Fixed Assets Account Group - This Account Group presents the fixed assets of the Township utilized in its general operations (non-proprietary fixed assets).

General Long-Term Debt Account Group - This Account Group presents the balance of general obligation long-term debt which is not recorded in proprietary funds.

Basis of Accounting

The accrual basis of accounting is used by the Enterprise Fund. The General Fund, Special Revenue Funds, Capital Projects Fund, Debt Service Funds, Agency Funds and the Component Units utilize the modified accrual basis of accounting. Modifications in such method from the accrual basis are as follows:

Revenues are recorded as received in cash except for:

- (a) Revenues that are both measurable and available for use to finance operations are recorded as revenue when earned. Property taxes are considered measurable and available and are recorded as revenue in the year of the levy.
- (b) Other revenues are recorded when received.

Expenditures are recorded on an accrual basis except interest on long-term debt is treated as an expenditure when due.

The purchase method is used to account for inventories. Under the purchase method, inventories are recorded as expenditures when incurred.

Charter Township of Oakland

Notes to Financial Statements

Budgets and Budgetary Accounting

The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to the beginning of the fiscal year, an operating budget is submitted to the Board for the fiscal year commencing the following April 1. The operating budget includes revenues from general sources, proposed expenditures and the means of financing them for the General Fund, Special Revenue Funds, and the Component Unit - Park System.
- (2) Public hearings are conducted as required to obtain taxpayer comments before the budget is legally enacted.
- (3) The Board adopts and approves the budget by departmental total for the General Fund and by functional classification totals for the Special Revenue Funds, and the Park System from detailed budget documents. The detailed documents submitted contain both line item and department totals.
- (4) Any revisions that alter either departmental totals in the General Fund, functional classification totals in the Special Revenue Funds or the Park System or the total expenditures of any fund must be approved by the Board.
- (5) Formal budgetary integration is employed as a management control device during the year for those funds involved.
- (6) Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Budget amounts included in the financial statements are as originally adopted, or as amended by the Board.

The Library Board adopts and approves the operating budget of the Component Unit - Library.

Charter Township of Oakland

Notes to Financial Statements

Cash Equivalents and Investments

For purposes of financial presentation as well as statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered cash equivalents. Investments in certificates of deposit are recorded at cost, which approximates fair value.

Property and Equipment

General Fixed Assets - The Township maintains a General Fixed Assets Account Group with assets recorded at cost. No depreciation is provided.

Utility Plant Assets - Utility Plant Assets in the Sewer Fund are stated at cost. Depreciation has been provided using the straight-line method over the estimated useful lives of the related sewer service mains, 40 years.

Property Taxes

The Township assesses and collects both real and personal property taxes for the Township, County and schools. As collections are made, the Township periodically remits them to the schools and County as required by law. When the property taxes become delinquent, they are turned over to the County, which is then responsible for collection. The County purchases the delinquent real property tax roll in its entirety, but personal property taxes are remitted by the County as received. The Township's portion of delinquent property taxes are recorded as a receivable in the year they become delinquent.

Charter Township of Oakland

Notes to Financial Statements

The following is the property tax calendar followed by the Township of Oakland:

Summer tax bills mailed	July 1
Levy date-Summer tax	July 1
Summer tax due	September 14
Winter tax bills mailed	December 1
Levy date-Winter tax	December 1
Winter tax due	February 14
Delinquent real property tax purchased by the County	March 1

The December 2003 tax levy is recognized as revenue for the Township's fiscal year ended March 31, 2004.

Compensated Absences

Township employees hired prior to May 1, 1997 are entitled to fifteen personal days with full pay each year. As an alternative, the employee may choose to be paid their equivalent hourly rate on their anniversary date for up to five days per year or may choose to accumulate up to twenty days in an escrow account. Upon termination of employment the employee will receive payment for up to twenty accumulated, unused days according to the hourly rate in effect for that employee at the time of termination.

Township employees hired after May 1, 1997 are entitled to twelve personal days with full pay each year. These employees do not have the option of being paid for unused personal days on their anniversary date, however they can accumulate up to twenty days in an escrow account which is paid out at termination as described above.

All employees are granted vacation leave in various amounts based on length of service. Vacation days must be used in the service year in which an employee is entitled. No payments are made in lieu of unused vacation days nor can any unused vacation time be carried over to the following year.

The liability for compensated absences that will be liquidated with expendable available financial resources is recorded in the General Fund.

Charter Township of Oakland

Notes to Financial Statements

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Township's financial position and operations. However, comparative data by fund type has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

Total Columns on Combined Statements

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position and results of operations in conformity with accounting principles generally accepted in the United States of America. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Reclassifications

Certain comparable totals in the 2003 financial statements have been reclassified to conform to the 2004 financial statement presentation.

2. Budgetary Compliance

Budgets

The Township, in compliance with the Uniform Budgeting Act (P.A.621 of 1978) of the State of Michigan, requires that all General and Special Revenue Funds of the primary government and component units annually adopt balanced budgets on the modified accrual basis of accounting.

Expenditures Over Appropriations

P.A. 621 of 1978, section 18 (1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated. During the year ended March 31, 2004, expenditures listed below exceeded appropriations at the legal level of budgetary control by the following amounts:

<i>Fund</i>	<i>Excess Expenditures</i>
Primary Government	
General Fund – planning	\$ 9,095
Special Revenue Funds	
Historic Preservation Fund – general government	1,142
Older Persons' Commission Fund - general government	3,296
Police Fund – capital outlay	2,495

Charter Township of Oakland

Notes to Financial Statements

3. Cash and Investments

Deposits - At year-end, the carrying amount of the Township's (primary government and component units) cash and cash equivalents was \$11,301,528, and the bank balances were \$11,138,856. The bank balances were covered by federal depository insurance in the amount of \$700,000.

Investments - Michigan statutes authorize the Township to invest in the following types of investments:

- Direct bonds and obligations of the U.S. or its agencies or instrumentalities;
- Certificates of deposit, savings accounts with banks, savings and loan associations or credit unions which are insured with the applicable federal agency;
- Commercial paper rated at the time of purchase within the three highest classifications established by at least two rating services, which matures not later than two hundred seventy days, and not more than 50% of any fund may be invested in commercial paper;
- Repurchase agreements of the U.S. or its agencies;
- Bankers' acceptance of U.S. banks;
- Mutual funds.

Charter Township of Oakland

Notes to Financial Statements

The Township's investments (primary government and component units) at year-end consist of \$8,467,742 of certificates of deposit.

4. Interfund Receivables and Payables

Interfund receivables and payables at March 31, 2004 were:

<i>Fund</i>	<i>Interfund Receivables</i>	<i>Interfund Payables</i>
Primary Government		
General Fund	\$ 61,881	\$ -
Special Revenue Fund - Building Fund	-	37,133
Special Revenue Fund - Historic Preservation	-	1,206
Special Revenue Fund - Fire	-	10,537
Special Revenue Fund - Police	225	359
Special Revenue Fund - Older Persons' Commission	-	-
Agency Fund - Tax collection	-	149
Component Unit - Park Fund	-	12,722
	\$ 62,106	\$ 62,106

5. Changes in General Fixed Assets

The summary of changes in General Fixed Assets is as follows:

	<i>Balance April 1, 2003</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance March 31, 2004</i>
Land	\$ 5,452,312	\$3,044,900	\$ -	\$ 8,497,212
Land improvements	348,244	646,921	-	995,165
Building	5,161,225	1,311,937	-	6,473,162
Building improvements	331,780	-	-	331,780
Machinery and equipment	69,427	-	-	69,427
Office equipment, furniture and fixtures	340,312	27,858	(126)	368,044
Park vehicles	21,864	1,858	-	23,722
Building vehicles	72,614	-	-	72,614
Police and fire equipment	660,732	62,812	(25,106)	698,438
Fire vehicles	2,202,171	84,250	(58,385)	2,228,036
Computer equipment and software	147,884	34,786	(7,361)	175,309
	\$14,808,565	\$5,215,322	\$ (90,978)	\$ 19,932,909

Charter Township of Oakland

Notes to Financial Statements

6. Long-Term Debt

The General Long-Term Debt Group of Accounts is composed of the following:

<i>March 31,</i>	2004
Building Authority bonds payable	\$ 5,025,000
2001 general obligation unlimited tax bonds	2,425,000
2004 general obligation limited tax bonds	2,000,000
	\$ 9,450,000

Building Authority Bonds Payable

During fiscal year 1998, the Charter Township of Oakland Building Authority ("Building Authority") entered into a contract for the construction of a new township building. The Building Authority issued \$1,800,000 in bonds to finance a portion of the project.

During fiscal 2002, the Township advance refunded the remaining balance of the 1998 Building Authority Bonds in the amount of \$1,585,000. To provide for future debt service on the refunded bonds, the Township paid \$1,715,942 to an escrow agent to establish an irrevocable trust. As a result, the 1998 bonds are considered defeased. Accordingly, the trust fund assets and the liability for the defeased bonds are not included in the financial statements. As of March 31, 2003, the amount of defeased debt outstanding but removed from the financial statements amounted to \$1,460,000.

During fiscal 2000, the Charter Township of Oakland Building Authority issued \$645,000 in bonds to retire the remaining land contract debt held by the Township of Oakland.

Principal payments on the bonds are due annually on June 1 and interest ranges from 4.5% to 5.4%. The following is a schedule of indebtedness of the bonds:

<i>Year</i>	<i>Principal Due June 1</i>	<i>Interest Due June 1</i>	<i>Total Due June 1</i>	<i>Interest Due December 1</i>
2004	\$ 55,000	\$ 4,945	\$ 59,945	\$ 3,598
2005	55,000	3,598	58,598	2,250
2006	60,000	2,250	62,250	750
2007	30,000	750	30,750	-
Totals	\$ 200,000	\$ 11,543	\$ 211,543	\$ 6,598

Charter Township of Oakland

Notes to Financial Statements

During fiscal year 2001, the Charter Township of Oakland Building Authority (Building Authority) entered into a contract for the construction of a new fire station and the purchase of park land. The Building Authority issued \$5,205,000 in bonds to help finance the above-mentioned projects.

Principal payments on the bonds are due annually on June 1 and interest ranges from 4.25% to 4.75%. The following is a schedule of indebtedness of the bonds:

<i>Year</i>	<i>Principal Due June 1</i>	<i>Interest Due June 1</i>	<i>Total Due June 1</i>	<i>Interest Due December 1</i>
2004	\$ 265,000	\$ 109,971	\$ 374,971	\$ 104,274
2005	300,000	104,274	404,274	97,749
2006	320,000	97,749	417,749	90,789
2007	340,000	90,789	430,789	83,351
2008	200,000	83,351	283,351	78,976
Thereafter	3,400,000	570,806	3,970,806	491,830
Totals	\$ 4,825,000	\$ 1,056,940	\$ 5,881,940	\$ 946,969

General Obligation Unlimited Tax Bonds

During fiscal year 2002, the Township issued \$2,575,000 in bonds to pay its share of the costs of constructing a new senior center to be operated by the Rochester Hills-Oakland-Rochester Older Persons' Commission.

Principal payments on the bonds are due annually on April 1 and interest ranges from 3.0% to 5.0%. The following is a schedule of indebtedness of the bonds:

<i>Year</i>	<i>Principal Due April 1</i>	<i>Interest Due April 1</i>	<i>Total Due April 1</i>	<i>Interest Due October 1</i>
2004	\$ -	\$ -	\$ -	\$ 53,440
2005	75,000	53,440	128,440	52,222
2006	100,000	52,222	152,222	50,472
2007	100,000	50,472	150,472	48,672
2008	100,000	48,672	148,672	46,797
Thereafter	2,050,000	378,231	2,428,231	331,434
Totals	\$ 2,425,000	\$ 583,037	\$ 3,008,037	\$ 583,037

Charter Township of Oakland

Notes to Financial Statements

General Obligation Limited Tax Bonds

During fiscal year 2004, the Township issued \$2,000,000 in bonds to defray all or part of the cost of acquiring land to be used by the Township for public purposes.

Principal payments on the bonds are due annually on June 1 and interest ranges from 2.00% to 2.75%. The following is a schedule of indebtedness on the bonds:

<i>Year</i>	<i>Principal Due April 1</i>	<i>Interest Due April 1</i>	<i>Total Due April 1</i>	<i>Interest Due April 1</i>
2004	\$ -	\$ -	\$ -	\$ 39,135
2005	170,000	23,481	193,481	21,781
2006	210,000	21,781	231,781	19,681
2007	280,000	19,681	299,681	16,881
2008	395,000	16,881	411,881	12,438
Thereafter	945,000	19,313	964,313	6,875
	\$ 2,000,000	\$ 101,137	\$ 2,101,137	\$ 116,791

The following is a summary of all long-term debt transactions of the Township for the year ended March 31, 2004:

	<i>Amount Payable at April 1, 2003</i>	<i>Borrowings</i>	<i>Debt Retired</i>	<i>Amount Payable at, March 31, 2004</i>
Building Authority bonds payable	\$ 285,000	\$ -	\$ 85,000	\$ 200,000
Building Authority bonds payable	5,060,000	-	235,000	4,825,000
General Obligation unlimited tax bonds	2,500,000	-	75,000	2,425,000
General Obligation Limited tax bonds	-	2,000,000	-	2,000,000
Totals	\$ 7,845,000	\$ 2,000,000	\$ 395,000	\$ 9,450,000

Charter Township of Oakland

Notes to Financial Statements

7. Defined Contribution Plan

The Township of Oakland Group Pension Plan is a defined contribution pension plan established by the Township to provide benefits at retirement to elected officials, full time employees, firemen, and regular part time employees of the Township. Plan provisions and contribution requirements are established and may be amended by the Township. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees who have attained the age of 18 but not more than 75 are eligible to participate after one and a half months of employment. The Township's contributions for each employee (and interest allocated to the employee's account) are fully vested upon death, total disability, retirement or on termination of service.

The Township's total payroll (primary government and component units) for the fiscal year ended March 31, 2004 was \$1,079,874. The Township's contributions were calculated using the base salary amount of \$869,127. The Township contributed 11% of the base salary. The total amount the Township contributed was \$95,604. Plan members are not required to contribute to the plan.

8. Deferred Compensation Plan

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Township employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

During the year ended March 31, 1999, the Township transferred all assets of the deferred compensation plan into trust for the exclusive benefit of plan participants and their beneficiaries. Prior to establishment of the trust, the Township owned the assets and accounted for the Plan in an agency fund. With the transfer of assets to trust, the Township no longer owns the assets and does not have fiduciary responsibility for the Plan. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 32, Accounting and Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, the Plan's assets and liabilities have been excluded from the financial statements of the Township.

Charter Township of Oakland

Notes to Financial Statements

9. Joint Ventures

Trailways Commission

A joint venture agreement, effective December 23, 1981, was entered into by the Township of Oakland, Township of Orion, City of Rochester Hills and the City of Rochester for the purpose of establishing and providing for the powers and duties of the Trailways Commission, pursuant to the Urban Cooperation Act (Act 7, P.A. 1967). The Commission is a separate public corporation for the purpose of owning, exercising right of dominion over, developing, providing, maintaining and operating certain non-motorized public trails for recreational use within the jurisdictions of member governmental units. The Township appoints two commissioners to the governing board which is responsible for approving the annual budget. Pursuant to the agreement, each member shall be responsible for an equal share of the commission's budget. The expenditures are shown in the Township's Component Unit - Park System.

The following information of the joint venture, obtained from the Trailways Commission, is as of and for the year ended December 31, 2002 (which is the latest information available to the Township):

	<i>General Fund</i>	<i>General Fixed Assets Account Group</i>
Total assets	\$ 65,799	\$ 933,718
Total liabilities	4,295	-
Total fund balances and other credits	61,504	933,718
Total revenues	75,039	-
Total expenditures	77,031	-
Decrease in fund balance	(1,992)	-

Charter Township of Oakland

Notes to Financial Statements

Older Persons' Commission

An interlocal agreement, effective March 28, 1985 and amended August 28, 1995, was entered into by the Township of Oakland, City of Rochester Hills and the City of Rochester for the purpose of establishing an Older Persons' Commission pursuant to the Urban Cooperation Act (Act 7, P.A. 1967, Act 39, P.A. 1976, Act 35, P.A. 1951 and Act 150, P.A. 1923). The Commission is a separate public corporation for the purpose of providing activities and services for older persons, defined as those individuals sixty years of age or older residing in the governmental units which are parties to the agreement. The activities and services to be provided include, but are not limited to, the joint ownership and operation of an older persons' activity center, transportation and actions directed toward the improvement of the social, legal, health, housing, educational, emotional, nutritional, recreational, and mobility status of older persons. The Township appoints one member to the Older Persons' Commission governing board which is responsible for approving the annual budget. Pursuant to the agreement, each member shall be responsible for its pro-rata share of the budget based upon its assessed valuation of property. The expenditures are shown in the Township's Older Persons' Commission Special Revenue Fund.

The following financial information of the joint venture, obtained from the Older Persons' Commission is as of and for the year ended December 31, 2003 (which is the latest information available to the Township):

	<i>Full Accrual</i>
Total assets	\$ 18,124,075
Total liabilities	478,966
Total net assets	17,645,109
Total revenues and special items	14,336,176
Total expenditures	3,344,680
Increase in net assets	10,991,496

10. Sewer Extensions

On May 15, 1991, the Township entered into a sanitary sewer service agreement for Oakland Township District 21, between Oakland County, the City of Rochester Hills (City) and the Township of Oakland. The agreement specifies that the Township shall have the right, at its sole cost, to construct an extension from the City's Stoney Creek Sewer Arm in order to service District 21. The total cost to acquire the right was \$185,488. The Township recovered a portion of this cost via a ten-year special assessment on the District 21 residents. Construction has not begun on this sewer extension.

Charter Township of Oakland

Notes to Financial Statements

11. Designated Fund Balances

The following schedule reflects the changes in the designated fund balances for the General and Special Revenue Funds for the year ended March 31, 2004:

	<i>Fund Balance April 1, 2003</i>	<i>Board Appropriations</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Fund Balance March 31, 2004</i>
General Fund					
Township improvement fund	\$ 350,000	\$ 50,000	\$ -	\$ -	\$ 400,000
Special fund for roads	169,000	-	176,875	-	345,875
Beautification fund	30,848	-	9,825	(528)	40,145
Lake Board	44,779	-	10,281	-	55,060
Liquor Fund	4,784	-	-	-	4,784
Indian Lake	21,148	-	-	-	21,148
Bike Path Reserve	171,923	-	7,500	-	179,423
Historical preservation	46	-	-	-	46
Sweatshirts & mugs	555	-	411	-	966
Total General Fund	\$ 793,083	\$ 50,000	\$ 204,892	\$ (528)	\$ 1,047,447
Special Revenue Funds					
Fire	\$ 68,510	\$ -	\$ -	\$ -	\$ 68,510
Police	21,896	-	-	-	21,896
Total Special Revenue Funds	\$ 90,406	\$ -	\$ -	\$ -	\$ 90,406

Charter Township of Oakland

Notes to Financial Statements

12. Component Units

The following is the combining financial statements for discretely presented Component Units as of and for the years ended March 31, 2004 and 2003:

	<i>Park System</i>	<i>Library</i>	<i>Totals</i>	
			2004	2003
Assets				
Cash and cash equivalents	\$ 1,646,713	\$ 722,871	\$ 2,369,584	\$ 2,577,093
Delinquent taxes receivable	61,005	29,229	90,234	75,638
Due from Trailway Commission	9,219	-	9,219	9,219
Due from other primary government funds	-	-	-	450
Total Assets	\$ 1,716,937	\$ 752,100	\$ 2,469,037	\$ 2,662,400
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 8,135	\$ -	\$ 8,135	\$ 9,187
Accrued vacation	7,858	-	7,858	7,036
Accrued wages	4,172	-	4,172	2,735
Due to General Fund	12,497	-	12,497	10,421
Due to other primary government funds	225	-	225	225
Total Liabilities	32,887	-	32,887	29,604
Fund Balances				
Unreserved				
Designated - Trailway improvement	76,298	-	76,298	76,298
Designated - Property acquisition	576,378	134,217	710,595	710,595
Designated - Al Hill Memorial	1,300	-	1,300	1,300
Undesignated	1,030,074	617,883	1,647,957	1,844,603
Total Fund Balances	1,684,050	752,100	2,436,150	2,632,796
Total Liabilities and Fund Balances	\$ 1,716,937	\$ 752,100	\$ 2,469,037	\$ 2,662,400

Charter Township of Oakland

Notes to Financial Statements

	<i>Park System</i>	<i>Library</i>	<i>Totals</i>	
			2004	2003
Revenues				
Tax revenues	\$ 1,279,237	\$ 612,995	\$ 1,892,232	\$ 1,724,643
Intergovernmental revenues	1,737,295	-	1,737,295	-
Other revenues	89,530	4,070	93,600	82,178
Total Revenues	3,106,062	617,065	3,723,127	1,806,821
Expenditures				
Current				
General government	47,980	2,307	50,287	40,959
Culture and recreation	5,077,734	559,589	5,637,323	1,109,620
Capital outlay	23,817	-	23,817	28,554
Total Expenditures	5,149,531	561,896	5,711,427	1,179,133
Excess of Revenues Over (Under) Expenditures	(2,043,469)	55,169	(1,988,300)	627,688
Other Financing Sources (Uses)				
Operating transfers In (Out)	(208,346)	-	(208,346)	(217,553)
Proceeds from issuance of debt	2,000,000	-	2,000,000	-
Total Other Financing Sources (Uses)	1,791,654	-	1,791,654	-
Excess of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(251,815)	55,169	(196,646)	410,135
Fund Balances, April 1	1,935,865	696,931	2,632,796	2,222,661
Fund Balances, March 31	\$ 1,684,050	\$ 752,100	\$ 2,436,150	\$ 2,632,796



Supplemental Material

Charter Township of Oakland

Combining Balance Sheet - Special Revenue Funds

March 31, 2004

(With Comparative Totals for March 31, 2003)

	Historic Preservation	Older Persons' Commission	Fire	Police	Building Fund	Totals	
						2004	2003
Assets							
Cash and cash equivalents	\$ 148,352	\$ 48,221	\$ 766,153	\$ 1,420,920	\$ 198,151	\$ 2,581,797	\$ 1,743,200
Investments	156,651	-	-	-	1,598,158	1,754,809	2,225,096
Delinquent taxes receivable	5,509	19,799	44,090	83,019	-	152,417	125,992
Due from component units	-	-	-	225	-	225	225
Total Assets	\$ 310,512	\$ 68,020	\$ 810,243	\$ 1,504,164	\$ 1,796,309	\$ 4,489,248	\$ 4,094,513
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ 186	\$ -	\$ 22,542	\$ 122,231	\$ 61,746	\$ 206,705	\$ 153,305
Accrued vacation	-	-	5,808	-	28,811	34,619	31,683
Accrued wages	-	-	9,584	-	9,981	19,565	13,961
Building Bonds Payable	-	-	-	-	251,300	251,300	378,200
Due to General Fund	1,206	-	10,537	359	37,133	49,235	43,950
Due to Older Persons' Commission	-	68,020	-	-	-	68,020	65,110
Due to Component Units	-	-	-	-	-	-	450
Total Liabilities	1,392	68,020	48,471	122,590	388,971	629,444	686,659
Fund Balances							
Reserved							
Building Department	-	-	-	-	1,407,338	1,407,338	1,242,409
Unreserved							
Designated	-	-	68,510	21,896	-	90,406	90,406
Undesignated	309,120	-	693,262	1,359,678	-	2,362,060	2,075,039
Total Fund Balances	309,120	-	761,772	1,381,574	1,407,338	3,859,804	3,407,854
	\$ 310,512	\$ 68,020	\$ 810,243	\$ 1,504,164	\$ 1,796,309	\$ 4,489,248	\$ 4,094,513

Charter Township of Oakland

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Special Revenue Funds Year Ended March 31, 2004 (With Comparative Totals for March 31, 2003)

	Historic Preservation	Older Persons' Commission	Fire	Police	Building Fund	Totals	
						2004	2003
Revenues							
Tax revenues	\$ 115,488	\$ 415,067	\$ 924,767	\$ 1,740,886	\$ -	\$ 3,196,208	\$ 2,870,325
Charges for services	-	-	-	-	1,175,492	1,175,492	1,796,671
Other revenues	3,337	493	29,687	10,980	33,612	78,109	37,530
Total Revenues	118,825	415,560	954,454	1,751,866	1,209,104	4,449,809	4,704,526
Expenditures							
Current							
General government	26,342	3,896	59,855	3,130	-	93,223	82,088
Culture and recreation	-	227,533	-	-	-	227,533	210,520
Preservation	28,955	-	-	-	-	28,955	56,790
Police services	-	-	-	1,582,206	-	1,582,206	1,402,618
Fire services	-	-	471,773	-	-	471,773	580,970
Building department	-	-	-	-	573,022	573,022	650,080
Other functions	-	-	-	-	431,278	431,278	319,477
Capital outlay	-	-	2,375	2,495	39,875	44,745	120,646
Total Expenditures	55,297	231,429	534,003	1,587,831	1,044,175	3,452,735	3,423,189
Excess of Revenues Over Expenditures	63,528	184,131	420,451	164,035	164,929	997,074	1,281,337
Other Financing Uses							
Operating transfer out	-	(184,131)	(360,993)	-	-	(545,124)	(488,927)
Total Other Financing Uses	-	(184,131)	(360,993)	-	-	(545,124)	(488,927)
Excess of Revenues Over Expenditures and Other Financing Uses	63,528	-	59,458	164,035	164,929	451,950	792,410
Fund Balances, April 1	245,592	-	702,314	1,217,539	1,242,409	3,407,854	2,615,444
Fund Balances, March 31	\$ 309,120	\$ -	\$ 761,772	\$ 1,381,574	\$ 1,407,338	\$ 3,859,804	\$ 3,407,854

Charter Township of Oakland
Combining Balance Sheet - Debt Service Funds
March 31, 2004
(With Comparative Totals for March 31, 2003)

	1997 <i>Bond</i>	2000 <i>Bond</i>	2001 <i>Bond</i>	2001 <i>OPC Bond</i>	2004 <i>Bond</i>	<i>Totals</i>	
						2004	2003
Assets							
Cash and cash equivalents	\$ 4	\$ 41	\$ 30,090	\$ 221	\$ 12,433	\$ 42,789	\$ 30,080
Total Assets	\$ 4	\$ 41	\$ 30,090	\$ 221	\$ 12,433	\$ 42,789	\$ 30,080
Fund Balance - Reserved for Debt Service	\$ 4	\$ 41	\$ 30,090	\$ 221	\$ 12,433	\$ 42,789	\$ 30,080
Total Fund Balance	\$ 4	\$ 41	\$ 30,090	\$ 221	\$ 12,433	\$ 42,789	\$ 30,080

Charter Township of Oakland
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Debt Service Funds
Year Ended March 31, 2004
(With Comparative Totals for March 31, 2003)

	1997 <i>Bond</i>	2000 <i>Bond</i>	2001 <i>Bond</i>	2001 <i>OPC Bond</i>	2004 <i>Bond</i>	<i>Totals</i>	
						2004	2003
Revenues							
Other revenues	\$ -	\$ -	\$ 255	\$ 21	\$ 19	\$ 295	\$ 431
Total Revenues	-	-	255	21	19	295	431
Expenditures							
Debt Service	-	96,930	459,995	184,131	-	741,056	706,480
Total Expenditures	-	96,930	459,995	184,131	-	741,056	706,480
Excess of Revenues Over (Under) Expenditures	-	(96,930)	(459,740)	(184,110)	19	(740,761)	(706,049)
Other Financing Sources							
Operating transfer in	-	96,930	459,995	184,131	12,414	753,470	706,480
Excess of Revenues and Other Financing Sources Over Expenditures	-	-	255	21	12,433	12,709	431
Fund Balance, April 1	4	41	29,835	200	-	30,080	29,649
Fund Balance, March 31	\$ 4	\$ 41	\$ 30,090	\$ 221	\$ 12,433	\$ 42,789	\$ 30,080

Charter Township of Oakland

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Actual and Budget - Component Units Year Ended March 31, 2004

	Park System			Library			Total (Memorandum Only)		
	Actual	Budget	Variance - Favorable (Unfavorable)	Actual	Budget	Variance - Favorable (Unfavorable)	Actual	Budget	Variance - Favorable (Unfavorable)
Revenues									
Tax revenues	\$ 1,279,237	\$ 1,200,000	\$ 79,237	\$ 612,995	\$ 579,000	\$ 33,995	\$ 1,892,232	\$ 1,779,000	\$ 113,232
Intergovernmental revenues	1,737,295	1,737,295	-	-	-	-	1,737,295	1,737,295	-
Other revenues	89,530	78,163	11,367	4,070	7,000	(2,930)	93,600	85,163	8,437
Total Revenues	3,106,062	3,015,458	90,604	617,065	586,000	31,065	3,723,127	3,601,458	121,669
Expenditures									
General Government									
Fees and per diem	10,460	12,000	1,540	-	-	-	10,460	12,000	1,540
Salaries	5,180	5,520	340	1,534	1,500	(34)	6,714	7,020	306
Professional services	15,063	15,000	(63)	492	10,500	10,008	15,555	25,500	9,945
Office supplies	-	-	-	-	250	250	-	250	250
Programs	8,298	13,000	4,702	-	-	-	8,298	13,000	4,702
Printing and publishing	7,643	9,000	1,357	-	-	-	7,643	9,000	1,357
Miscellaneous	1,186	3,500	2,314	124	1,000	876	1,310	4,500	3,190
Errors in roll	150	1,200	1,050	157	1,200	1,043	307	2,400	2,093
Total General Government	47,980	59,220	11,240	2,307	14,450	12,143	50,287	73,670	23,383
Culture and Recreation									
Property development and management	5,077,734	5,152,103	74,369	-	-	-	5,077,734	5,152,103	74,369
Contractual library	-	-	-	-	-	-	-	-	-
Services	-	-	-	559,589	559,589	-	559,589	559,589	-
Capital outlay	23,817	23,000	(817)	-	-	-	23,817	23,000	(817)
Total Expenditures	5,149,531	5,234,323	84,792	561,896	574,039	12,143	5,711,427	5,808,362	96,935
Excess of Revenues Over Expenditures	(2,043,469)	(2,218,865)	175,396	55,169	11,961	43,208	(1,988,300)	(2,206,904)	218,604
Other Financing Sources (Uses)									
Operating transfers in	-	-	-	-	-	-	-	-	-
Operating transfers out	(208,346)	(296,155)	87,809	-	-	-	(208,346)	(296,155)	87,809
Proceeds from issuance of debt	2,000,000	2,000,000	-	-	-	-	2,000,000	2,000,000	-
Total Other Financing Sources (Uses)	1,791,654	1,703,845	87,809	-	-	-	1,791,654	1,703,845	87,809
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(251,815)	(515,020)	263,205	55,169	11,961	43,208	(196,646)	(503,059)	306,413
Fund Balance, April 1	1,935,865	1,935,865	-	696,931	696,931	-	2,632,796	2,632,796	-
Fund Balance, March 31	\$ 1,684,050	\$ 1,420,845	\$ 263,205	\$ 752,100	\$ 708,892	\$ 43,208	\$ 2,436,150	\$ 2,129,737	\$ 306,413

March 31,

2004

2003

Assets

Current Assets

Cash and cash equivalents	\$ 3,572,411	\$ 2,383,225
Investments	4,151,583	4,066,701
Delinquent taxes receivable	3,426	209
Accounts receivable - tap-in fees - current portion	454	454

Total Current Assets	7,727,874	6,450,589
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Utility Plant

Sewer system - Goodison	137,343	137,343
Sewer system - Extension #2	414,242	414,242
Leased asset - Oakland Township Extension	211,302	211,302
Sewer system - District 21	185,488	185,488
Sewer system - Extension #3	886,902	886,902

Less accumulated depreciation	1,835,277 (670,380)	1,835,277 (629,136)
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Net Utility Plant	1,164,897	1,206,141
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Other Assets

Funds held by County	100,385	98,440
Accounts receivable - tap-in fees - noncurrent portion	1,191	1,494

Total Other Assets	101,576	99,934
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\$ 8,994,347 \$ 7,756,664

Charter Township of Oakland

Balance Sheet - Proprietary Fund Type - Enterprise Fund - Sewer Fund

March 31, 2004

(With Comparative Totals for March 31, 2003)

<i>March 31,</i>	2004	2003
Liabilities		
Current Liabilities		
Accounts payable	\$ 36,933	\$ 2,914
Due to other taxing units	161,582	160,543
Total Current Liabilities	198,515	163,457
Deferred Revenue		
Capital charges	3,521,500	2,956,000
Equity		
Contributed Capital	1,364,242	1,364,242
Retained Earnings		
Reserved for sewer extensions	122,406	122,406
Unreserved	3,787,684	3,150,559
Total	3,910,090	3,272,965
	\$ 8,994,347	\$ 7,756,664

Charter Township of Oakland

Combining Balance Sheet - Agency Funds March 31, 2004 (With Comparative Totals for March 31, 2003)

<i>March 31,</i>	<i>Tax Collection</i>	<i>Trust and Agency</i>	2004	2003
Assets				
Cash	\$ 149	\$ 80	\$ 229	\$ 106
	\$ 149	\$ 80	\$ 229	\$ 106
Liabilities				
Due to General Fund	\$ 149	\$ -	\$ 149	\$ 26
Accrued retirement	-	80	80	80
	\$ 149	\$ 80	\$ 229	\$ 106

Charter Township of Oakland

Combining Statement of Changes in Assets and Liabilities - Agency Funds Year Ended March 31, 2004

	<i>Balance April 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance March 31, 2004</i>
Tax Collection Fund				
Assets				
Cash	\$ 26	\$ 27,684,438	\$ 27,684,315	\$ 149
Liabilities				
Accounts payable	\$ -	\$ 188,248	\$ 188,248	\$ -
Due to General Fund	26	844,885	844,762	149
Due to component units	-	1,806,911	1,806,911	-
Due to other primary government funds	-	3,052,035	3,052,035	-
Due to other taxing units	-	20,903,022	20,903,022	-
Undistributed tax collection	-	26,031,661	26,031,661	-
Interest collection	-	35,708	35,708	-
	\$ 26	\$ 52,862,470	\$ 52,862,347	\$ 149

Charter Township of Oakland

Combining Statement of Changes in Assets and Liabilities - Agency Funds Year Ended March 31, 2004

	<i>Balance April 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance March 31, 2004</i>
Trust and Agency Fund				
Assets				
Cash	\$ 80	\$ 637,489	\$ 637,489	\$ 80
Liabilities				
Accounts payable	\$ -	\$ 363,494	\$ 363,494	\$ -
Due to General Fund	-	35,732	35,732	-
Due to component units	-	70,724	70,724	-
Due to other primary government funds	-	117,750	117,750	-
Due to other governments	-	11,743	11,743	-
Due to State of Michigan	-	37,479	37,479	-
Due to other taxing units	-	268,806	268,806	-
Accrued retirement	80	90,735	90,735	80
Undistributed tax collection	-	235,235	235,235	-
	\$ 80	\$ 1,231,698	\$ 1,231,698	\$ 80

Charter Township of Oakland

Combining Statement of Changes in Assets and Liabilities - Agency Funds Year Ended March 31, 2004

	<i>Balance April 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance March 31, 2004</i>
Total All Agency Funds				
Assets				
Cash	\$ 106	\$ 28,321,927	\$ 28,321,804	\$ 229
Liabilities				
Accounts payable	\$ -	\$ 551,742	\$ 551,742	\$ -
Due to General Fund	26	880,617	880,494	149
Due to component units	-	1,877,635	1,877,635	-
Due to other primary government funds	-	3,169,785	3,169,785	-
Due to other governments	-	11,743	11,743	-
Due to State of Michigan	-	37,479	37,479	-
Due to other taxing units	-	21,171,828	21,171,828	-
Accrued retirement	80	90,735	90,735	80
Undistributed tax collection	-	26,266,896	26,266,896	-
Interest collection	-	35,708	35,708	-
	\$ 106	\$ 54,094,168	\$ 54,094,045	\$ 229

Charter Township of Oakland

Statement of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget - Historic Preservation Fund Years Ended March 31, 2004 and 2003

	2004			2003		
	<i>Actual</i>	<i>Budget</i>	<i>Variance - Favorable (Unfavorable)</i>	<i>Actual</i>	<i>Budget</i>	<i>Variance - Favorable (Unfavorable)</i>
Revenues						
Tax revenues	\$ 115,488	\$ 109,000	\$ 6,488	\$ 105,453	\$ 101,865	\$ 3,588
Other revenues	3,337	7,000	3,663	2,844	8,000	(5,156)
Total Revenues	118,825	116,000	2,825	108,297	109,865	(1,568)
Expenditures						
General Government						
Professional services	2,441	1,400	(1,041)	2,787	1,400	(1,387)
Publications	389	600	211	584	400	(184)
Salaries	12,847	13,260	413	9,530	11,780	2,250
Office supplies	4,501	2,500	(2,001)	4,294	2,000	(2,294)
Education	1,170	1,000	(170)	565	1,000	435
Miscellaneous	4,994	6,440	1,446	4,472	6,940	2,468
Total General Government	26,342	25,200	(1,142)	22,232	23,520	1,288
Preservation	28,955	90,800	61,845	56,790	93,100	36,310
Total Expenditures	55,297	116,000	60,703	79,022	116,620	37,598
Excess of Revenue Over (Under) Expenditures	63,528	-	63,528	29,275	(6,755)	36,030
Fund Balance, April 1	245,592	245,592	-	216,317	216,317	-
Fund Balance, March 31	\$ 309,120	\$ 245,592	\$ 63,528	\$ 245,592	\$ 209,562	\$ 36,030

Charter Township of Oakland

Statement of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget - Older Persons' Commission Fund Years Ended March 31, 2004 and 2003

	2004			2003		
	<i>Actual</i>	<i>Budget</i>	<i>Variance - Favorable (Unfavorable)</i>	<i>Actual</i>	<i>Budget</i>	<i>Variance - Favorable (Unfavorable)</i>
Revenues						
Tax revenues	\$ 415,067	\$ 415,000	\$ 67	\$ 397,526	\$ 389,235	\$ 8,291
Other revenues	493	-	493	536	-	536
Total Revenues	415,560	415,000	560	398,062	389,235	8,827
Expenditures						
General Government						
Audit fees	600	600	-	545	600	55
Bank charges	300	-	(300)	450	-	(450)
Errors in roll	2,996	-	(2,996)	166	-	(166)
Total General Government	3,896	600	(3,296)	1,161	600	(561)
Culture and Recreation						
Older Persons' Commission	227,533	232,518	4,985	210,520	203,129	(7,391)
Total Expenditures	231,429	233,118	1,689	211,681	203,729	(7,952)
Excess of Revenue Over Expenditures	184,131	181,882	2,249	186,381	185,506	875
Other Financing Sources (Uses)						
Operating transfer out	(184,131)	(181,882)	(2,249)	(186,381)	(185,506)	(875)
Total Other Financing (Uses) Sources	(184,131)	(181,882)	(2,249)	(186,381)	(185,506)	(875)
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	-	-	-	-	-	-
Fund Balance, April 1	-	-	-	-	-	-
Fund Balance, March 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Charter Township of Oakland

Statement of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget - Fire Fund Years Ended March 31, 2004 and 2003

	2004			2003		
	<i>Actual</i>	<i>Budget</i>	<i>Variance - Favorable (Unfavorable)</i>	<i>Actual</i>	<i>Budget</i>	<i>Variance - Favorable (Unfavorable)</i>
Revenues						
Tax revenues	\$ 924,767	\$ 925,693	\$ (926)	\$ 779,177	\$ 778,000	\$ 1,177
Other revenues	29,687	15,000	14,687	10,544	25,500	(14,956)
Total Revenues	954,454	940,693	13,761	789,721	803,500	(13,779)
Expenditures						
General Government						
Professional services	6,957	10,000	3,043	3,716	10,000	6,284
Insurance	34,306	35,000	694	41,528	25,000	(16,528)
Office supplies	1,064	2,000	936	606	700	94
Miscellaneous	17,528	16,400	(1,128)	9,610	8,400	(1,210)
Total General Government	59,855	63,400	3,545	55,460	44,100	(11,360)
Fire Services						
Fire Fighters	296,724	297,000	276	221,420	201,000	(20,420)
Fire Station	68,958	62,000	(6,958)	71,647	72,000	353
Vehicles and equipment	73,553	82,500	8,947	276,197	236,203	(39,994)
Communications	30,172	32,000	1,828	8,945	18,000	9,055
Fire prevention	2,366	2,300	(66)	2,761	2,300	(461)
Total Fire Services	471,773	475,800	4,027	580,970	529,503	(51,467)
Capital Outlay	2,375	40,500	38,125	86,504	141,000	54,496
Total Expenditures	534,003	579,700	45,697	722,934	714,603	(8,331)
Excess of Revenue Over (Under) Expenditures	420,451	360,993	59,458	66,787	88,897	(22,110)
Other Financing Uses						
Operating transfer out	(360,993)	(360,993)	-	(302,546)	(301,451)	(1,095)
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	59,458	-	59,458	(235,759)	(212,554)	(23,205)
Fund Balance, April 1	702,314	702,314	-	938,073	938,073	-
Fund Balance, March 31	\$ 761,772	\$ 702,314	\$ 59,458	\$ 702,314	\$ 725,519	\$ (23,205)

Charter Township of Oakland

Statement of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget - Police Fund Years Ended March 31, 2004 and 2003

	2004			2003		
	<i>Actual</i>	<i>Budget</i>	<i>Variance - Favorable (Unfavorable)</i>	<i>Actual</i>	<i>Budget</i>	<i>Variance - Favorable (Unfavorable)</i>
Revenues						
Tax revenues	\$ 1,740,886	\$ 1,680,000	\$ 60,886	\$ 1,588,169	\$ 1,527,999	\$ 60,170
Other revenues	10,980	20,000	(9,020)	10,749	20,000	(9,251)
Total Revenues	1,751,866	1,700,000	51,866	1,598,918	1,547,999	50,919
Expenditures						
General Government						
Professional Services	500	500	-	400	500	100
Office supplies	324	1,200	876	435	1,200	765
Miscellaneous expense	1,859	3,500	1,641	1,516	3,500	1,984
Errors in roll	447	200	(247)	884	200	(684)
Total General Government	3,130	5,400	2,270	3,235	5,400	2,165
Police Services						
Contractual	1,514,274	1,473,001	(41,273)	1,354,029	1,331,000	(23,029)
Police Station	67,932	130,150	62,218	48,589	86,150	37,561
Miscellaneous	-	91,449	91,449	-	115,449	115,449
Total Police Services	1,582,206	1,694,600	112,394	1,402,618	1,532,599	129,981
Capital Outlay	2,495	-	(2,495)	-	10,000	10,000
Total Expenditures	1,587,831	1,700,000	112,169	1,405,853	1,547,999	142,146
Excess of Revenue Over Expenditures	164,035	-	164,035	193,065	-	193,065
Other Financing Sources						
Operating transfers in	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources Over Expenditures	164,035	-	164,035	193,065	-	193,065
Fund Balance, April 1	1,217,539	1,217,539	-	1,024,474	1,024,474	-
Fund Balance, March 31	\$ 1,381,574	\$ 1,217,539	\$ 164,035	\$ 1,217,539	\$ 1,024,474	\$ 193,065

Charter Township of Oakland

Statement of Revenues, Expenditures and Changes in Fund Balance Actual and Budget - Building Fund Year Ended March 31, 2004 and 2003

	2004			2003		
	Actual	Budget	Variance - Favorable (Unfavorable)	Actual	Budget	Variance - Favorable (Unfavorable)
Revenues						
Charges for services	\$ 1,175,492	\$ 1,198,500	\$ (23,008)	\$ 1,796,671	\$1,194,000	\$ 602,671
Other revenues	33,612	13,000	20,612	12,857	100	12,757
Total Revenues	1,209,104	1,211,500	(2,396)	1,809,528	1,194,100	615,428
Expenditures						
Building Department						
Salaries	283,769	324,100	40,331	296,287	258,200	(38,087)
Plan review services	18,139	35,000	16,861	11,300	35,000	23,700
Office supplies	18,496	30,000	11,504	28,042	20,000	(8,042)
Contracted services	-	-	-	3,842	20,000	16,158
Printing and publishing	3,360	7,000	3,640	6,660	5,200	(1,460)
Equipment maintenance	1,379	9,000	7,621	4,236	8,100	3,864
Education	9,288	15,000	5,712	6,663	10,000	3,337
Electrical inspections	70,921	80,000	9,079	87,895	90,000	2,105
Plumbing inspections	62,645	70,000	7,355	72,759	90,000	17,241
Heating inspections	81,583	85,000	3,417	99,845	100,000	155
Miscellaneous	9,857	12,000	2,143	11,676	12,000	324
Planning secretary	-	-	-	3,226	-	(3,226)
ZBA salaries	8,958	15,000	6,042	14,679	15,000	321
ZBA fee and per diem	3,230	6,000	2,770	2,970	6,000	3,030
ZBA office supplies	441	1,000	559	-	1,000	1,000
ZBA equipment maintenance	-	500	500	-	500	500
ZBA education	771	2,500	1,729	-	2,500	2,500
ZBA miscellaneous	185	500	315	-	500	500
Total Building Department	573,022	692,600	119,578	650,080	674,000	23,920
Other Functions						
Township Board	22,028	28,600	6,572	26,919	27,600	681
Township Supervisor	26,075	26,000	(75)	23,021	25,400	2,379
Township Clerk	11,884	15,600	3,716	14,563	15,100	537
Township Hall	87,843	107,200	19,357	43,121	46,700	3,579
Insurance and Bonds	55,078	65,000	9,922	55,023	60,000	4,977
Retirement Fund	33,744	34,000	256	31,669	36,000	4,331
Social Security	23,587	24,000	413	22,024	32,000	9,976
Engineering Fees	171,039	135,000	(36,039)	102,577	100,000	(2,577)
Miscellaneous	-	-	-	560	100,800	100,240
Total Other Functions	431,278	435,400	4,122	319,477	443,600	124,123

Charter Township of Oakland

Statement of Revenues, Expenditures and Changes in Fund Balance Actual and Budget - Building Fund Year Ended March 31, 2004 and 2003

	2004			2003		
	<i>Actual</i>	<i>Budget</i>	<i>Variance - Favorable (Unfavorable)</i>	<i>Actual</i>	<i>Budget</i>	<i>Variance - Favorable (Unfavorable)</i>
Capital Outlay	39,875	83,500	43,625	34,142	70,000	35,858
Total Expenditures	1,044,175	1,211,500	167,325	1,003,699	1,187,600	183,901
Excess of Revenue Over Expenditures	164,929	-	164,929	805,829	6,500	799,329
Other Financing Sources (Uses)						
Operating transfer out	-	-	-	-	-	-
Excess of Revenue Over Expenditures and Other Financing Uses	164,929	-	164,929	805,829	6,500	799,329
Fund Balance, April 1	1,242,409	1,242,409	-	436,580	436,580	-
Fund Balance, March 31	\$ 1,407,338	\$ 1,242,409	\$ 164,929	\$ 1,242,409	\$ 443,080	\$ 799,329

Charter Township of Oakland

Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards

Township Board
Charter Township of Oakland

We have audited the general purpose financial statements of the Charter Township of Oakland as of and for the year ended March 31, 2004, and have issued our report thereon dated June 3, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the general purpose financial statements of the Charter Township of Oakland are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the internal control of the Charter Township of Oakland over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Township Board and Township management and is not intended to be and should not be used by anyone other than these specified parties.

BDO Seidman, LLP

Certified Public Accountants

June 3, 2004

Charter Township of Oakland

General Fund Analysis of Revenues Year Ended March 31, 2004 (With Comparative Totals for March 31, 2003)

	2004		2003
	<i>Actual</i>	<i>Budget</i>	<i>Actual</i>
Tax Revenues			
Property taxes	\$ 865,982	\$ 830,000	\$ 792,885
Interest and penalties	6,219	5,000	6,198
Trailer tax	2,129	3,000	1,966
Total Tax Revenues	874,330	838,000	801,049
Intergovernmental Revenues			
Sales taxes	925,334	925,000	1,013,844
Liquor revenues	7,082	5,000	8,218
Community Development Block Grants	36,119	30,000	10,126
Total Intergovernmental Revenues	968,535	960,000	1,032,188
Charges for Services			
Other licenses and permits	4,283	3,000	3,141
Lake improvements	23,310	14,000	14,898
Board of Appeals	-	-	-
Land division	505	2,500	705
Filing fees	4,400	2,500	1,700
Administrative fees	79,772	95,300	66,110
Cable franchise fees	115,198	100,000	110,085
Road and bike path improvements	191,875	-	193,005
Planning service fees	-	2,500	-
Total Charges for Services	419,343	219,800	389,644
Other Revenues			
Sales of printed material	3,017	2,500	2,562
Fines and forfeits	41,858	19,000	44,946
Interest earnings	81,032	170,000	58,676
Tree sale	9,825	2,500	-
Miscellaneous	40,295	(1,700)	48,837
Total Other Revenues	176,027	192,300	155,021
Total Revenues	\$ 2,438,235	\$ 2,210,100	\$ 2,377,902

Charter Township of Oakland

General Fund Analysis of Expenditures Year Ended March 31, 2004 (With Comparative Totals for March 31, 2003)

	2004		2003
	<i>Actual</i>	<i>Budget</i>	<i>Actual</i>
Legislative			
Township Board			
Recording secretary	\$ 4,314	\$ 4,000	\$ 3,849
Fees and per diem	13,420	15,000	12,300
Office supplies	14,748	10,000	13,573
Audit fees	11,160	16,000	10,760
Consultant fees	2,628	20,000	9,011
Legal fees	84,608	80,000	88,989
Printing and publishing	7,199	14,000	3,408
Miscellaneous	17,733	15,000	32,433
Equipment maintenance	17,374	24,000	13,536
Bank charges	945	1,000	375
Disaster declaration fund	-	1,000	-
Total Legislative	174,129	200,000	188,234
General Government			
Township Supervisor			
Salaries and wages	118,016	119,500	108,791
Office supplies	1,262	1,500	1,249
Miscellaneous	2,558	3,000	2,827
Equipment maintenance	2,602	3,000	1,980
Education	2,286	3,000	3,563
Car allowance	4,800	4,800	4,800
Total Township Supervisor	131,524	134,800	123,210
Election Department			
Salaries and wages	8,725	12,000	11,468
Office supplies	6,908	10,000	4,316
Miscellaneous	2,541	4,000	4,125
Total Election Department	18,174	26,000	19,909
Township Assessor			
Professional services	107,298	110,000	94,144
Office supplies	513	2,500	1,172
Miscellaneous	-	1,000	64
Consultant	1,610	2,000	2,146
Total Township Assessor	109,421	115,500	97,526

Charter Township of Oakland

General Fund Analysis of Expenditures Year Ended March 31, 2004 (With Comparative Totals for March 31, 2003)

	2004		2003
	<i>Actual</i>	<i>Budget</i>	<i>Actual</i>
Township Clerk			
Salaries and wages	\$ 134,239	\$ 133,500	\$ 110,351
Office supplies	3,178	8,600	6,447
Accounting fees	1,886	4,000	1,566
Printing and publishing	5,478	20,000	5,660
Miscellaneous	934	3,000	670
Equipment maintenance	1,083	5,000	5,379
Education	2,110	4,000	2,064
Total Township Clerk	148,908	178,100	132,137
Board of Review			
Fee and per diem	1,200	4,500	1,125
Staff salary	145	1,300	-
Miscellaneous	442	500	497
Total Board of Review	1,787	6,300	1,622
Township Treasurer			
Salaries and wages	134,454	135,800	113,392
Office supplies	2,069	7,000	8,809
Printing and publishing	2,196	2,500	2,009
Miscellaneous	4,726	2,000	916
Equipment maintenance	1,844	5,000	3,172
Errors in roll	222	3,000	472
Contractual	-	1,700	-
Education	1,589	2,500	2,059
Consultant	8,975	8,000	7,833
Tax receipting system	7,862	8,000	5,617
Drains at large	19	1,500	13
Total Township Treasurer	163,956	177,000	144,292

Charter Township of Oakland

General Fund Analysis of Expenditures Year Ended March 31, 2004 (With Comparative Totals for March 31, 2003)

	2004		2003
	<i>Actual</i>	<i>Budget</i>	<i>Actual</i>
Township Hall and Grounds			
Maintenance staff	\$ 2,993	\$ 7,800	\$ 3,951
Utilities	24,092	26,300	20,020
Building improvements	117,000	194,500	1,612
Repairs and maintenance	20,425	25,500	18,309
Grounds maintenance	24,718	24,000	20,589
Supplies	-	-	-
Miscellaneous	2,310	3,500	1,463
Janitorial service	16,959	18,500	17,255
Total Township Hall and Grounds	208,497	300,100	83,199
Cemetery	2,300	16,000	1,500
Total General Government	784,567	953,800	603,395
Planning			
Fees and per diem	5,140	7,200	4,930
Planning secretary	50,655	47,000	41,159
Supplies	3,267	1,500	2,982
Consultant	134,920	120,000	59,851
Printing and publishing	2,956	8,000	301
Equipment maintenance	-	500	1,980
Miscellaneous	631	2,200	482
Education	926	3,000	1,055
Total Planning	198,495	189,400	112,740

Charter Township of Oakland

General Fund Analysis of Expenditures Year Ended March 31, 2004 (With Comparative Totals for March 31, 2003)

	2004		2003
	<i>Actual</i>	<i>Budget</i>	<i>Actual</i>
Public Works			
Highway and Streets			
Road repair and maintenance	\$ 85,662	\$ 192,200	\$ 67,944
Street lighting	4,621	6,000	5,308
Sirens	-	7,500	-
Miscellaneous	28,357	183,000	57,622
	118,640	388,700	130,874
Lake Improvement	30,966	23,000	22,252
Other			
Dumping privileges	26,054	40,000	26,306
Total Public Works	175,660	451,700	179,432
Health and Welfare			
Community Services			
Community action program	31,172	50,000	9,026
Older Persons' Commission	19,920	20,000	18,129
Community Development Block Grant	25,483	30,000	28,129
Total Health and Welfare	76,575	100,000	55,284
Other Functions			
Insurance and bonds	85,246	92,000	80,184
Retirement contributions	32,082	56,000	29,454
Social security and MESC	31,609	50,000	30,321
Interest	-	1,200	-
Reforestation	-	-	-
Tree sale	11,200	14,000	9,635
Miscellaneous	-	-	-
Total Other Functions	160,137	213,200	149,594
Capital Outlay	49,111	102,000	20,584
Total Expenditures	\$ 1,618,674	\$ 2,210,100	\$ 1,309,263

Charter Township of Oakland

Tax Collection Fund - Analysis of Taxes Spread and Collected 2003 Tax Levy

	<i>Taxes Spread</i>	<i>Taxes Collected</i>	<i>Returned to County Delinquent</i>
Township			
Combined Levies			
General	\$ 874,002	\$ 832,722	\$ 41,280
Park System	598,497	570,030	28,467
Land preservation	684,082	651,544	32,538
Library	614,567	585,336	29,231
Older Persons' Commission	231,714	220,693	11,021
Older Person's Commission Bonds	184,547	175,769	8,778
Fire	926,957	882,867	44,090
Police	1,745,441	1,662,421	83,020
Historic Preservation	115,792	110,285	5,507
Special assessment	24,264	20,539	3,725
Total	5,999,863	5,712,206	287,657
Other Agencies			
Schools	7,826,363	7,463,414	362,949
Oakland County	13,929,091	13,469,647	459,444
Total	21,755,454	20,933,061	822,393
Total 2003 Tax Levy	\$ 27,755,317	\$ 26,645,267	\$ 1,110,050